



# CALPEEK

## CALIFORNIA POLITICAL WEEK

P.O. BOX 1468, BEVERLY HILLS, CA 90213 (310)659-0205 FAX(310)657-4340  
Dick Rosengarten, Publisher E-Mail: calpeek@aol.com

VOL. XXV  
No. 43

NOV. 24, 2003

### A THANKSGIVING VACATION BREAK FOR CALPEEK

We'll be off the week of Nov. 24<sup>th</sup> for Thanksgiving, but resume work Dec. 1<sup>st</sup> for Calpeek's final issue of the year, which will be dated Dec. 8<sup>th</sup>. Issue #44 will include our *Who's Hot & Who's Not* column – so email your nominations to [Calpeek@aol.com](mailto:Calpeek@aol.com). Here's wishing you a happy Thanksgiving holiday...



### S.F. MUNI RUNOFF ELECTION: NEW POLLING IN THE MAYOR'S RACE HAS NEWSOM LEADING GONZALEZ.

Editor's note: S.F. based David Binder is one of the better known political pollsters in the business and his data is used often by the news media. But for some reason, Binder's latest poll showing S.F. Co. Sup. Gavin Newsom leading mayoral rival and fellow Sup. Matt Gonzalez by 14 points *hasn't* made much news in S.F. Here's our analysis & update, along with Binder's polling in the DA's race. The runoff is Dec. 9<sup>th</sup>...

...If you picked up the Nov. 15<sup>th</sup> edition of the *San Francisco Chronicle*, you'd see this headline: **New poll shows Gonzalez out in front. He leads Newsome 49% to 47% in S.F. mayor's race.** This particular poll was done for station KPIX-TV by Survey USA, between Nov. 11-13, 1,012 registered voters, including 524 certain voters. But among probable voters in this same poll, Newsom leads Gonzalez by a 46% to 43% margin. Thus the headline above is somewhat misleading. As the *Chron* noted, both sets of numbers are within the margin of error...

...And on the same day that the *Chron* wrote about the Survey USA results, Binder released his data. It shows Newsom *leading* Gonzalez by a 50% to 36% margin, with 4% undecided. What are key differences between Survey USA and Binder? Survey USA polling is done by *auto-telephone* and those being polled are asked to respond by pressing their touch-tone telephones. As Binder told *Calpeak*, "It's a cheap way to do a poll and it's not reliable."

Virtually all political pollsters use live, trained operators to ask the questions and to verify they are really speaking with registered voters...

...So why the news blackout on Binder's data? Some sources suspect the news media wants to see a real horse race between Newsom and Gonzalez and the Survey USA poll shows the race to be close, whereas Binder's survey doesn't. The contest itself has become very negative, with charges and counter-charges flying in all directions. And it's become a very obvious fight between the Calif. Demo Party (Newsom) vs. the Green Party (Gonzalez)...

...In the Nov. 4<sup>th</sup> primary, Newsom finished first with 42% vs. 20% for Gonzalez. Binder says most of Gonzalez's "new" support is coming from voters who supported 3<sup>rd</sup> place finisher Tom Ammiano (about 80% of Ammiano's vote is now going to Gonzalez). Newsom has picked up almost all of Tony Ribera's support. Binder thinks Newsom and Gonzalez are splitting the votes of City Treas. Susan Leal and former S.F. Co. Sup. Angela Alioto...

...In the DA's race, Binder's survey shows S.F. Deputy City Atty. Kamala Harris leading incumbent DA Terence Hallinan by a 45% to 37% margin, with 18% undecided. Binder surveyed 600 likely voters from Nov. 10-13. His polls were done for a group of downtown businesses and he's not involved in the mayor's race, but he is polling for Harris. FYI: Newsom and Hallinan have been endorsed by the *S.F. Co. Demo Party*, meaning they will both be on all of the Demo Party slates. Harris picked up the endorsement of Demo U.S. Sen. Dianne Feinstein. Stay tuned...

### MIRACLE OF SACRAMENTO: CAN CALIF. FIX HUGE BUDGET DEFICIT WITH \$15 BILLION IN BORROWING?

Editor's note: When Arnold Schwarzenegger was sworn in Nov. 17<sup>th</sup> as Calif.'s 38<sup>th</sup> governor, he promised the *The Miracle of Sacramento*. "We are stronger than we know. We can overcome our problems," he said. But Calif.'s huge problems are not only fiscal, but *political* as well. Here's our analysis & commentary...

...Most of the spin coming from Gov. Arnold's team prior

CALIFORNIA POLITICAL WEEK (ISSN 0195-6175) IS AN INDEPENDENT, NONPARTISAN NEWS ANALYSIS BULLETIN OF CALIFORNIA POLITICAL WEEK, INC., A CALIFORNIA CORPORATION. TELEPHONE: (310)659-0205. ADDRESS: P.O. BOX 1468, BEVERLY HILLS, CA 90213. \$95/YEAR. PUBLISHED WEEKLY, 44 WEEKS PER YEAR. COPYRIGHTED BY CALIFORNIA POLITICAL WEEK, INC. THIS TRADEMARK REGISTERED WITH THE CALIF. SECRETARY OF STATE. REPRODUCTION IN WHOLE OR IN PART REQUIRES EXPRESS PERMISSION. ALL RIGHTS RESERVED. 1ST CLASS POSTAGE PAID AT LOS ANGELES.

LICENSED TO UNZ.ORG  
ELECTRONIC REPRODUCTION PROHIBITED

to his first news conference (11/18) emphasized the huge \$11 billion debt he inherited from Gov. Gray Davis(D). This was very obvious at CA Finance Director Donna Arduin's Nov. 15<sup>th</sup> news conference, where she said her audit showed that if nothing is done, in 3 years the deficit could hit **\$62 billion**. This news conference was the set up for Gov. Arnold's inaugural address and follow-up news conference where he introduced his *Calif. Recovery Plan*...

...At the heart of his plan is a GO bond to refinance the "inherited debt" – up to **\$15 billion**. FYI: Schwarzenegger isn't the first governor to inherit a deficit. Gov. Pete Wilson(R) got \$14 billion in red ink from Gov. George Deukmejian(R) when he took office in 1991...

...This bond would have to be OKed by the CA Legislature prior to Dec. 5<sup>th</sup> if it is to be on the March 2004 ballot. It's not a slam dunk that the Demo-controlled Legislature will go for such a huge borrowing plan. Bonds, after all, are used for long-term infrastructure projects, not deficit borrowing. Current Calif. bond debt stands at more than **\$61 billion** (state & local bonds combined)...

...In addition to resistance from Legislative Demos, Gov. Arnold has gotten a hostile reception from Demo State Treas. Phil Angelides, who opposes additional borrowing to pay off the debt. Ditto Demo Controller Steve Westly. Although Angelides doesn't like the bond funding idea, he has yet to offer a counter solution. And politically, will Angelides put some of his \$10 million warchest to fight this bond plan if it's on the March ballot? Another potential political problem could come from fiscal conservatives who don't like this kind of borrowing and favor more spending cuts. Gov. Arnold has promised at least \$2 billion more in cuts, but details are lacking...

...But the problems are even more complex. For example, Gov. Arnold kept his pledge and rescinded the VLF hike (car tax). That punched an even bigger hole in the budget deficit (\$4 billion) and it's unclear whether the governor or the legislature can restore about \$3 billion in VLF backfill to local government. This could result in big cuts in public safety funding. Some sources think the backfill for local govt. will be included in the deficit bond, but that's not clear...

...The other part to Gov. Arnold's recovery plan is a constitutional amendment to prevent this type of fiscal meltdown from reoccurring. Here the CA Legislature seems to be onboard with Gov. Arnold. ACA 1(5X) is a bipartisan constitutional amendment by Assemblymen Keith Richman(R) and Joe Canciamilla(D). Co-authors

are Horton(R), Wolk(D), Bates(R), Berg(D), Benoit(R), Harmer(R), Liu(D), Correa(D) and Maddox(R). ACA 1 rewrites the previous Gann Spending Limit, sets up a reserve, requires a balanced budget each year, and gives the governor mid-year cut authority to balance the budget. Sources tell *Calpeek* this plan not only improves the current Gann Limit, but also puts in an appropriations limit of 97% of estimated revenues. And this new ACA also exempts from the spending limit all those previously approved initiatives, such as Props. 10, 172, 42, 98, 99 and 49...

...FYI: the only other fiscal recovery plan on the table is by Assemblyman John Campbell(R-Orange Co.). Sources tell *Calpeek* that Campbell's ACA 6 isn't nearly as comprehensive as ACA 1, but Gov. Arnold is not taking sides. Stay tuned...

#### **CAMPAIGN 2004: CALIFORNIA INITIATIVE UPDATE.**

Editor's note: Here's a brief update about proposed ballot measures for the November 2004 general election. As of now, there are 29 initiatives in circulation, with 14 pending at the AG's office for *title & summary*. Here's our update & analysis...

◆ ***NO on 56 – Californians Against Higher Taxes*** – NO on Prop. 56, now have an English & Spanish website: [www.noblankchecks.com](http://www.noblankchecks.com). Prop. 56 will be on the March 2004 ballot. If approved, this initiative (known as the Budget Accountability Act) would allow a 55% vote to pass new taxes and the budget – instead of a 2/3rds vote...

◆ ***Parental Notification Prior to Termination of Minor's Pregnancy. Initiative Constitutional Amendment & Statute.*** With the exception of a medical emergency or when waiver of notification has been obtained, no abortion shall be performed on minors until the doctor has notified the minor's parent or legal guardian. The proponents, Rosemarie Avila & Mary Vogelzang, need 598,105 signatures by April 12, 2004 to qualify. Info at (916)442-7757...

● ***Emergency and Medical Services. Funding. Telephone Surcharge. Initiative Constitutional Amendment & Statute.*** The backers of this proposal want a 3% surcharge on all telephone usage (cell & business), with a 50 cent cap on each residential phone. If approved, this initiative would raise about \$550 million per year and would be exempt from the Gann Spending limit and from Prop. 98. It would provide funding for emergency room personnel training, reimburse hospitals for uncompensated emergency room care & uncompensated community clinic

care. The group backing this initiative is called *The Coalition to Preserve Emergency Care (CPEC)*. Key members of the coalition include the Emergency Nurses Assn. of Calif., CA Professional Firefighters, Calif. chapter of the Amer. College of Emergency Physicians, the CA Medical Assn.(CMA), the Calif. Healthcare Assn. and the Calif. Primary Care Assn. The coalition needs to collect 598,105 signatures by April 12, 2004 to qualify for the November 2004 ballot...

...There's already an opposition group: the Cmt. to Stop Unfair Taxation, with CA Taxpayers Assn. president Larry McCarthy leading the anti-forces. Others on the NO side include the CA Chamber of Commerce, CA Small Business Roundtable and Consumers Union. Contact for the NO side is Roger Salazar (916)284-1255...

◆ **Stem Cell Research Bond** – At the AG's office awaiting *title & summary* is a \$3 billion bond to fund stem cell research in Calif. Funding has been blocked by the Bush Admin. at the national level. The group pushing this bond (aiming for the November 2004 ballot) is called *Californians for Stem Cell Research and Cures*. There are two sets of legal teams: Nielsen, Merksamer AND Remcho Johansen Purcell. Winner & Mandabach Campaigns will be the lead consultant, with Chad Griffin as daily mgr. The cmp. office is (323)468-3391. Payback on the bonds would be through royalties and patents...

◆ **Local Taxpayers Protection Act** – At the AG's office awaiting *title & summary* is this Constitutional amendment submitted by Steven C. Szalay, exec. director of the CA State Assn. of Counties, Catherine A. Smith, exec. director of the CA Special Districts Assn. and Christopher K. McKenzie, exec. director of the League of CA Cities. If approved, it would require that any CA Legislative attempt to reduce, suspend or delay funds which are supposed to go to **local government** be submitted to the voters for approval. Winner & Mandabach Campaigns is the consultant, while Nielsen Merksamer is handling the legal work... counsel...

● **Save Our State** – At the AG's office awaiting *title & summary* is this initiative by Ron Prince. We have to assume that since Prince was one of the original authors of Prop. 187, that this new initiative will be along the same lines. Stay tuned...

**CAMPAIGN 2004: UPDATE ON LEGISLATIVE RACES.**

Editor's note: Here is *Part XXIX* in our continuing series of updates about key U.S. House and CA Legislative primary contests...

☒ **29<sup>th</sup> AD Update** – After looking at the 29<sup>th</sup> AD and then taking a pass, former Assemblyman Mike Briggs(R-Fresno) flip-flopped again and has decided to run. The 29<sup>th</sup> AD may be Briggs' old district, but in trying to get rid of freshman GOP Assemblyman Steve Samuelian, most of the heavy GOP hitters are lining up with Mike Villines. Former SOS Bill Jones is the latest to back Villines. Also in the running on the GOP side is former Councilman Chris Mathys. The lone Demo is Michael Macias...

☒ **The Issa Factor** – Despite some baggage, U.S. Rep. Darrell Issa's endorsement is still sought after by GOP legislative candidates. The congressman from Vista, who bankrolled the successful recall of Gov. Davis, has endorsed Gayle Pacheco (60<sup>th</sup> AD); Elia Pirozzi (63<sup>rd</sup> AD); Mimi Walters (73<sup>rd</sup> AD); Assemblyman John Campbell (35<sup>th</sup> SD); and Van Tran (68<sup>th</sup> AD). All of the above candidates faxed news releases touting Issa's endorsement...

☒ **50<sup>th</sup> AD** – This is the seat of *termed out* Marco A. Firebaugh(D). There are 3 Demos and 3 GOPers who have taken out papers, but this AD is solid Demo turf. The leading Demo is South Gate Mayor Hector De La Torre, who ran unsuccessfully against U.S. Rep. Linda Sanchez(D-39) in 2002. De La Torre's main rival is Montebello School Board member Hector Chacon. But it's De La Torre who thus far has won the key endorsements: ALADS, CA Nurses Assn., L.A./Orange Co. Building & Construction Trades Council, UFCW Local #770; CA State Council of Laborers; CWA Local 9400; UA Plumbers & Pipefitters #250 and the Internal Brotherhood of Carpenters. He's also been endorsed by State Senators Gil Cedillo, Martha Escutia, Betty Kernet and Deborah Ortiz. De La Torre has reported \$86,000 cash on hand vs. \$35,000 for Chacon. De La Torre's campaign is run by SG&A Campaigns, with fundraising by Genelle Buchert...

☒ **3<sup>d</sup> SD** – This Demo SD is now represented by Senate Pres. John Burton(D), who is *termed out*. For a number of years it was speculated that current BOE member Carole Migden(D) would be duking it out with either S.F. Mayor Willie Brown or Demo Assemblyman Joe Nation. Brown dropped out of the running months ago and Nation also took a pass. Thus Migden faces only token Demo opposition in Davy Jones. If Migden wins,



she'll have to give up her BOE seat and that's when things could get sticky. If Gov. Gray Davis(D) hadn't been recalled, no problem – he'd name another Demo and that pick would be OKed by the Demo controlled State Senate. But with Gov. Arnold Schwarzenegger(R) now in command, he'd likely appoint a GOPer and thus give control of the BOE and Franchise Tax Board to the Republicans. Of course the State Senate would still have to OK Gov. Arnold's candidate...

☒ **33<sup>rd</sup> AD Update** – In this open seat GOP primary between Sam Blakeslee and Matt Kokkonen, Blakeslee has been endorsed by the CA Assn. of Realtors and the United Agribusiness League. He's also been endorsed by former SLO Co. GOP Chair Dr. Rick Bravo. Kokkonen has been named co-chair of the *Stop the Car Tax* initiative in SLO Co. and he's picked up the support of BOE member Claude Parrish(R)...

☒ **20<sup>th</sup> AD Update** – In the battle to replace *termed out* John Dutra(D-Fremont), former Milpitas Mayor Henry Manayan(D) has picked up endorsements from the Silicon Valley Democratic Forum, COMPAC (San Jose Chamber's PAC), the Santa Clara Co. Assn. of Realtors. He's also supported by Demo Controller Steve Westly, Santa Clara Co. Supes Peter McHugh and Liz Kniss and U.S. Reps. Mike Honda and Zoe Lofgren. Stay tuned...

#### **CALPEEK'S CALENDAR OF POLITICAL EVENTS**

|            |                                                                                                                                             |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Dec. 2     | UN Sec. General Kofi Annan headlines L.A. World Affairs Council's 50 <sup>th</sup> anniversary, 7:30 p.m. dinner, Century Plaza Hotel, L.A. |
| Dec. 4-5   | Campaign seminar, Renaissance Airport Hotel, L.A. Info Alan Locke (703)534-5645.                                                            |
| Dec. 9     | S.F. Muni runoff election.                                                                                                                  |
| Dec. 9-13  | Nat'l League of Cities conf., Nashville, TN                                                                                                 |
| Jan. 16-18 | CA Demo Party convention, Convention Center, San Jose.                                                                                      |

#### **CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.**

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **U.S. Senate Update** – *Calpeek's* guess was on the mark: U.S. Rep. David Dreier(R-Covina) won't give up his safe seat to challenge U.S. Sen. Barbara Boxer(D) next year. That puts the ball back in Bill Jones' court, but he is under consideration to be Resources Agency Secretary in the new Schwarzenegger Admin. Other names? Don't count out U.S. Rep. Darrell Issa(R-Vista)...

■ **SB 60 Update** – State Sen. Rico Oller(R-San Andreas) introduced a bill (no number as yet) to repeal **SB 60** – the bill signed into law by Gov. Davis which would permit non-citizens to obtain Calif. drivers licenses. Gov. Schwarzenegger has called for the repeal of this law, but sources say it's possible the new governor will work with SB 60 author State Sen. Gil Cedillo(D-L.A.) to find a fix which is acceptable and takes into account *security* concerns which were not contained in SB 60. Those who favor SB 60 have a website: www.SaveSB60.com. Sponsor of the website is MAPA (Mexican Amer. Political Assn.)...

#### **CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.**

Editor's note: Here are some items to mark down in your notebook...

● The campaign & election law firm of Nielsen, Merksamer et al has announced that Janis Crum, Alan Fernandes and Christopher Skinnell have joined the firm as Associates...

● The American Jewish Cmt. has selected PR executive Doug Dowie of Fleishman-Hilliard to receive the first ever Civic Leadership Award. The award will be presented at the AJC's Feb. 3, 2004 dinner...

● Op research specialist Matt Duffy has opened his own firm, Blackbook Research, 565 26<sup>th</sup> Avenue, S.F. 94121 (415)379-9720...

● Nik Bonovich has joined the *Target Book* as an associate editor, covering State Legislative and congressional races...

#### **CALPEEK'S MARKETPLACE NETWORK**

● **Legislative Analyst**-Downtown L.A. business assn. seeks director level individual to initiate/coordinate public policy/advocacy for policy issues impacting business. Knowledge of govt. org & legislative processes; exp. in a policy related position; xlt written/analytical skills. \$60-\$80K/yr. Fax resume to (213)624-0858.

CALPEEK's Marketplace Network is a listing of employer and employee availabilities for those engaged in campaign consulting, public affairs, public relations, government relations and legislative advocacy. The cost for each listing is \$25 for up to 40 words. Send ad copy with payment (*no invoicing*) to CALPEEK, Attn: Marketplace Network, P.O. Box 1468, Beverly Hills, CA 90213. For info ☎(310)659-0205...